

The Millennium Bug Deux!

In July 1998, Bill Clinton, President of the United States, gave a speech at the National Academy of Sciences in Washington DC. “This is not one of the summer movies where you can close your eyes during the scary part.” He told the assembled audience. “There is still a pressing need for action... Far too many businesses, especially small and medium sized firms, will not be ready unless they begin to act.”

20 years ago, the break-up of Yugoslavia was in full swing. Al Gore, Clinton’s Vice President, was trying to bring people’s attention to climate change, and the President was only five months away from being impeached for obstruction of justice. But that speech, given before the finest scientists in America, was all about the **Millennium Bug**.

So concerned were Americans about Y2K, as they called it, that a Senate Special Committee was formed to prepare for the inevitable consequences. Members of this committee told the people; “Is the world going to come to an end? I don’t know.” And “we’re no longer at the point of asking is there will be any power disruptions, we are now forced to ask how severe the disruptions are going to be.”

Tony Blair, Prime Minister at the time, wasn’t as bombastic, but he still trained 30,000 people to deal with the fall out, and formed the National Infrastructure Forum to bring together the utilities and major public services to work together to prepare for the Bug. Publisher Angela Perron seized the headlines for a time, when she moved her family from Wiltshire to a remote cottage in the Scottish Highlands, stockpiled food, bought farmyard animals and bunkered down for the end of civilisation.

Everyone was convinced, not necessarily that the world was going to come to an end, but that it *might*. People in the computer industry stopped selling, ordinary folk devoured books on how to survive the crisis and, on New Year’s Eve 1999, the whole world held its collective breath and waited...

There were some issues. Most seriously 154 women in Sheffield were given incorrect risk assessments regarding their pregnancies (thanks to computer programmes making assessments based on ages which were decades out) but otherwise 150 slot machines in USA going haywire was about as calamitous as it got.

At this point I’m sure I don’t have to spell out the parallels with Brexit. We are heading towards a similar moment, where everyone will hold their breath, and wait and see whether we will fall off the edge of the cliff. But we should note that twenty years ago, people weren’t just sitting there waiting. Though their fears might seem strange to us now, they made sure they were safe, rather than sorry. Presidents, Prime Ministers and multinational corporations were prepared. We can learn from that.

In business, Brexit may be a good reason to kick the can down the road and wait to see what happens, postpone larger investments and capital projects, and basically put off the big stuff. Certainly, some of our own clients are doing exactly that and asking us to support them to kick their can down the road by extending and rolling over leases and service contracts, just a bit longer.

So, with frustrated and delayed business plans, is this the time to be proactive? At Director Group, we believe we can support clients constructively through this period of uncertainty with the implementation of organisational and resource reviewssing this time to collect and analyse operational data providing much needed operational real estate performance comparisons.

We can’t tell you what Brexit will look like in 6-12 months’ time, but we can help you be ready for uncertainty.